

White, Mark

pm: White, Mark
 sent: Wednesday, January 22, 2003 10:28 AM
 To: Gdaniec, Bob
 Cc: Levstek, Dan
 Subject: RE: Victory License - Possible New Order 50,000 pph

Bob,
 Thank you for your email message. The welded wall design will be handled by Victory and they will take the responsibility and liability of the change. We will not be required to make such changes. In regard to the design pressure, the operating pressure at the boiler outlet is 110 psig. I am not sure where you are getting a pressure outside the M Series. In general, we need to be practical about the agreement. We need to assist Victory in a positive way to ensure sales are generated and a diversified revenue stream is created for EPTI. We seem to be going in the same direction without any concern for diversification. If this is the case let me know so that I will only focus on HRSG work.
 Mark

-----Original Message-----

From: Gdaniec, Bob
 Sent: Wednesday, January 22, 2003 8:36 AM
 To: White, Mark
 Subject: RE: Victory License - Possible New Order 50,000 pph

mark,

be careful on this one for free... Dan and I spoke on it today and he believes that if this is outside of the license agreement (which it is) then we better get paid for it. I think you need to get together with Dan and Stephen and Simon and resolve this matter pretty quickly. From what I understand...this is way out of the license agreement... welded walls and higher design pressure....

At this point, until Dan gives the okay... we are not going to support this one for free.

Bob

-----Original Message-----

From: White, Mark
 Sent: Tuesday, January 21, 2003 1:37 PM
 To: Gdaniec, Bob
 Cc:
 Subject: Victory License - Possible New Order 50,000 pph

Bob,

It would appear that Victory may sell a M12 or 13 to Atofina in La Porte TX this week. They originally quoted a "D" type and changed to the "O" after the License agreement was signed. I know that you are quite busy with the Siemens project but I would like to be somewhat prepared should they secure the order. Regarding the execution, my thoughts were as follows:

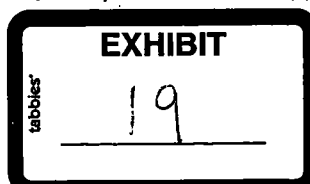
Boiler Thermal Performance - EPTI will work jointly with Victory Engineers to complete all necessary thermal performance required for the project incorporating all ancillary equipment.

Drawing & Engineering - The boiler selected is a standard M-Series Keystone. Therefore, drawing changes should be minimal. Victory Energy will modify those drawings requiring changes under the guidance of EPTI. EPTI will review such changes for approval.

Procurement - EPTI will assist Victory in the procurement of components. EPTI will provide acceptable material and design standards to Victory to ensure the components and design is suitable for the application.

Assembly - EPTI will assist Victory as needed with the various methods of assembly. EPTI and Victory will jointly establish check and hold points to verify compliance with EPTI mechanical and quality

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standards. I may suggest that Victory employ Earl Warner to assist in the assembly / fabrication process.

Project Management / Engineering - I would suggest that we assign a PM/E to the project to assist the Victory PM/E with the various aspects of the boiler system. Dan would be required to approve.

Please let me know your thoughts. If needed I could discuss with other under your direction to get us prepared. Please let me know how I may assist you while you are in Korea.

Regards,
Mark White